



March 26, 2012

TO: Senators Amy Klobuchar & Al Franken
FROM: Minnesota Backcountry Hunters & Anglers
SUBJ: Northern Minnesota Sulfide Mining Proposals

Dear Senators Klobuchar & Franken:

Backcountry Hunters & Anglers (BHA) is a national organization of outdoor enthusiasts who prize the tradition, challenge and solitude of America's backcountry. Founded in 2004, BHA is a 501c3 non-profit organization that works to conserve big, natural habitat and healthy rivers and streams. We work so our kids and grandkids are able to enjoy the high-quality hunting and fishing we cherish.

As you are already aware, there are two foreign-owned sulfide mining operations being proposed for northern Minnesota, including PolyMet's mine near Hoyt Lakes and the Duluth Metals mine adjacent to the Boundary Waters Canoe Area Wilderness. The largest is the open-pit NorthMet Project by PolyMet Corp. of Canada, with its partner, the Swiss metals company Glencore. The other mine is the underground Nokomis Project, a partnership of Duluth Metals of Canada, Twin Metals Minnesota LLC and Chile's Antofagasta, the world's largest copper producer.

Much of the debate surrounding sulfide mining revolves around whether companies have adequate bankruptcy-proof financial assurances in place to cover cleanup costs when (not if) acid-mine drainage (AMD) occurs. This is no small issue. PolyMet's proposed mine, for example, is within the Partridge River watershed, a headwater tributary of the St. Louis River, which enters Lake Superior at Duluth.

Copper-mining operations, sometimes called "hard-rock mining" or "sulfide mining," have left toxic scars across the country, with acids and sulfides leaching into streams, contaminating rivers and lakes, killing fish and leaving dead zones. While the mining industry claims new technologies can help avert those kinds of problems here, skeptical

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sportsmen and women and others have demanded proof, and argue that the short-term extraction of minerals poses a long-term threat to the wildlands and wildlife of an area dependent on outdoor recreation and tourism, not mining, for its future.

“Mining without harm” and “environmentally safe mining” may sound great, but there is zero evidence to back up the claim that sulfide mining can be done without causing devastating watershed pollution. In fact, mining of sulfide-metal ore has never been accomplished without causing eventual acid-metal leachate pollution of ground and surface waters. As a result, Wisconsin placed a moratorium on sulfide mining operations in 1997, until it could be demonstrated that such a mine would not pollute the water. The moratorium is still in place.

In fact, there are no examples in the world of such a mine that has not polluted. For example, the Flambeau Mine in northern Wisconsin operated from 1991 to 1997, and was supposed to show how protective modern mining methods can be. In 1999, water sampling began to show contamination. Despite the removal of 7,400 tons of contaminated soil, acid-mine drainage (AMD) continues.

In northern Minnesota, the underlying geologic complex consists of low-grade, highly disseminated metals which are very costly to extract, and over 99% of the mined material would be “waste.” Mining of these ores is economically marginal, which is why they haven’t been mined previously. Such mining is highly energy intensive, making the industry susceptible to market fluctuations and vulnerable to bankruptcy.

Mining less than 1% sulfide ores requires blasting, crushing and grinding of rock, leaving behind tons of waste rock and tailings that will leach acid-mine drainage (AMD) and toxic heavy metals into the watershed. The only thing really “new” about the proposed copper-nickel mining is refinement of the ability to extract very low-grade ores through heat, pressure and chemicals in the hydrometallurgical process. The mining company propaganda describes this as “next-generation, environmentally friendly mining.”

Former state Rep. Frank Moe is a guide and outfitter on the North Shore. Moe says when his old friends in the State Legislature consider whether to grant a permit to PolyMet to operate a hardrock sulfide mine, they should consider the other jobs at stake. Not just a couple hundred mining jobs, but jobs like his. Moe says there are 30,000 people working in the Northwoods recreation economy. He asks the legislators and commissioners whether tourists will still come north if the rivers and lakes are polluted.

Moe says, “Sulfide mining has a perfect record. A perfect record of environmental damage. There are no examples of a hardrock mining operation without serious pollution.” He likes the Wisconsin model. He wants PolyMet to make upfront financial assurances that will pay for any and all cleanup costs. He doesn’t want taxpayers stuck with the bill, but Polymet says the upfront assurance is a deal-breaker, which isn’t a surprise.

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America's public lands—and the fish and wildlife that call them home—are struggling to recover from the effects of a century of hard-rock mining. In 2004, the federal government estimated it would cost taxpayers \$7.8 billion to clean up 63 of the mining operations designated as Superfund sites by the U.S. Environmental Protection Agency; cleaning up all abandoned hard-rock mines would cost between \$20 billion and \$54 billion.

And PolyMet says acid-mine drainage (AMD) will occur at its proposed Hoyt Lakes mine. The company's draft Environmental Impact Statement stated that:

- "Water leaching from the waste rock piles is expected to be contaminated for up to 2,000 years;"
- "The West Mine Pit will overflow at Mine Year 65 (45 years after expected mine closure), contaminating the adjacent Partridge River with sulfates and heavy metals;"
- "Due to structural instability, the tailings basin has a 'low margin of safety.'"

Adding insult to injury, the Environmental Protection Agency (EPA) gave PolyMet's sulfide mining proposal a failing grade, a ranking of "environmentally unsatisfactory (and) inadequate." This is a ranking the EPA gives less than 1 percent of the time to projects like this. Specifically, the EPA said:

- "All waste rock at the site is acid generating, and acidic water ... will mobilize metals and sulfates, leaching them into groundwater and surface water;"
- "The (draft Environmental Impact Statement) did not provide information on financial assurance;"
- "The project will result in unacceptable long-term water quality impacts ... increasing mercury loadings into the Lake Superior watershed;"
- "The proposed approaches to manage acid generation are untested or unproven at the proposed scale;" and
- "This project may have substantial and unacceptable adverse impacts ... to the Lake Superior watershed and the Great Lakes basin."

In January 2012, the EPA released its annual Toxic Release Inventory. Once again, metal mining was at the top of the list of polluters across the country. Such mining was responsible for 41 percent of all pollution in our country last year. So, when mining proponents tell us about their modern technology that will allow for mining copper and nickel without causing pollution, just look at the track record. Look at the facts; everything else is just wishful thinking; smoke and mirrors.

If PolyMet and Duluth Metals officials won't agree to abide by tough, common-sense legislation that requires them to be held fully accountable for all future remediation and cleanup costs, thereby protecting taxpayers from having to pay to clean up their toxic mess, it's time to send them packing. PolyMet says new technology will virtually eliminate the threat of acid-mine drainage. If that's the case, why won't they provide up-front financial

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guarantees? Why is this a deal-breaker if there's no concern about creating a toxic waste site? Answer: They must not believe their own rhetoric.

In the western United States, mining operations have left Colorado alone with 7,300 abandoned projects that still leak toxic waste into soil and water. "There's no such thing as no-impact mining. You can't promise that," said Jim Burnell, senior geologist in Colorado's Department of Natural Resources (DNR). Nationwide, Acid Mine Drainage (AMD) has already polluted more than 12,000 miles of rivers and streams and over 180,000 acres of lakes and impoundments.

The very lifeblood of northern Minnesota's economy is its healthy watersheds and waterways, but PolyMet's proposed mine waste will be leaching sulfuric acid into those same northern Minnesota waterways "for up to 2,000 years." Is 20 years of a couple hundred sulfide mining jobs worth 2,000 years of poisoned waterways and watersheds that will cost the rest of us millions, and possibly billions, to clean up?

It's no surprise that some of the early warnings have been sounded by resort owners, outfitters and township boards, who rightfully worry that the encroachment of a major mining district into the heart of the Superior National Forest near the Boundary Waters Canoe Area Wilderness (BWCAW) could fundamentally alter the tourism industry. The Stony River Township Board of Supervisors in Lake County recently passed a resolution rejecting sulfide mining. The township is located in the cross hairs of intense sulfide mining interest at the edge of the BWCAW.

A second northeastern Minnesota township also said no to mineral exploration and copper mining. The town board of Eagles Nest Township outside Ely voted 3-0 for a resolution that supports the earlier action in Stony River Township. Eagles Nest supervisors called for a "permanent moratorium on the sale of minerals leases in Eagles Nest Township." And Pequaywan Township north of Duluth has become the third township in the region to pass a resolution asking for a go-slow-or-don't-go approach to sulfide mining.

The resolution asks for a state "prove it first" law that shows copper mines can be operated and closed without environmental degradation somewhere else before they are allowed to operate here. And it asks for changes in state laws to give property owners more power to say no to mining companies that own mineral rights under their land. The resolution also calls for stronger requirements for upfront money to cover costs of environmental cleanup should any mine close.

Minnesotans are beginning to realize that the economic revival touted by mining boosters is nothing short of wishful thinking. Mining has historically always been a boom and bust industry, and in the last 20 years sixteen hard rock mines declared bankruptcy. This devastates local economies dependent on the mining industry and forces taxpayers to cover the enormous cost of cleanup and restoration.

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And the jobs that mining companies offer will not bring prosperity. If mining companies' promises were true, northern Minnesota would be the wealthiest part of the country after some 130 years of iron ore mining in the region. As Minnesota BHA co-chair Darrell Spencer says, "The jobs are temporary. The profits are going to foreign ownership and foreign investors. The copper is going to Canada to be processed. The minerals will end up in China helping their GDP. And Minnesotans will be left to live with the toxic legacy of damaged waterways and watersheds forever."

Fishing and hunting annually contribute more than \$190 billion to our nation's economy, without turning waterways and watersheds into lifeless Superfund sites. Businesses that provide services and products to sportsmen—everything from guide and outfitter services to sporting goods stores, motels, grocery stores and gas stations—are the lifeblood of many rural communities.

"In Minnesota, the fishing industry alone supports 50,000 jobs and recreational fishing brings in \$3 billion a year," adds Minnesota BHA vice-chair Erik Jensen, "which would be in jeopardy when acid-mine drainage (AMD) leaches into creeks, streams, rivers and watersheds, eventually ending up in Lake Superior. In the 1990s, acid drainage from the Formosa Mine polluted streams in Oregon and reduced the fish population by 90 percent."

The BWCAW draws 250,000 visitors a year from around the world. This, in turn, fuels a \$1.6 billion tourism economy. Tourism has its own problems, to be sure. It's no get rich quick scheme, but it's dependable, unlike the boom and bust of mining, which guarantees an economy that lurches from crisis to crisis.

In addition, as everyone knows, northern Minnesota is one of the world's most water-rich regions: The headwaters of two internationally important water resources, Lake Superior and the Boundary Waters Canoe Area, are found here, along with over 10,000 lakes and countless streams, rivers, and wetlands. In terms of acid-mine drainage (AMD) risk, you could easily argue this is one of the worst places on the planet for a sulfide mine.

Statewide polling shows an overwhelming 85 percent of Minnesotans favor requiring mining companies to prove they have the financial means to clean up pollution from their mines before beginning operations. The risks to taxpayers and northern Minnesota's waterways is obvious, and should not be brushed under the rug by legislators.

"There's no doubt in my mind, conservation is at a crossroads right now," Interior Secretary Ken Salazar said recently. "It's about jobs," Salazar added. "We know hunting and fishing and outdoor recreation have a huge economic contribution to this country." Minnesota's legislators should follow the advice of Interior Secretary Salazar, and not jeopardize tens of thousands of sustainable long-term jobs for a couple hundred temporary sulfide mining jobs that will cost the rest of us millions, and possibly billions.

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No sulfide mining should be permitted in Minnesota without genuine, escape-proof assurances that the mine operators will be held fully accountable for any and all environmental harm they cause. Mining companies have compiled a long record of promising safe practices, breaking those promises, and then shifting the costs of dealing with the damage onto taxpayers.

As Bob Tammen, a BHA volunteer (and former miner) from Soudan, said: “The risks to taxpayers cannot be overstated. There’s no profit in operating clean-up at closed mines. Makes a lot more sense for parent companies to strip the subsidiary of assets and then file for bankruptcy, letting the rest of us pick up the bill.”

These short-sighted mining proposals amount to gambling with the future of our Great Outdoors, and Minnesota’s nearly 2 million hunters and anglers—and the bait shops, resorts, fishing guides, and hotels that depend on their business—won’t stand for it. They understand that healthy public wildlife habitat, rivers, and streams are the foundation supporting the American pastimes of hunting and fishing.

BHA members are dedicated to protecting big, wild habitat and the waters that support America’s hunting and fishing traditions, and along with Minnesota’s nearly 2 million hunters and anglers, we urge you to ensure that no sulfide mining is permitted in Minnesota without genuine, escape-proof assurances that the mine operators will be held fully responsible for any and all environmental harm they cause.

Thank you in advance for your efforts to protect wildlands and wildlife, and for considering our “boots-on-the-ground” input regarding these sulfide mining proposals.

Sincerely,

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CC:

Congressman Chip Cravaack
Congressman Tim Walz
Congressman John Kline
Congressman Erik Paulsen
Congresswoman Betty McCollum
Congressman Keith Ellison
Congresswoman Michele Bachmann
Congressman Collin Peterson
Governor Mark Dayton
Commissioner Tom Landwehr-MDNR
Superior National Forest-Forest Supervisor
U.S. Forest Service Chief
US EPA, Region 5

Sulfide Mining Information/Resources

- Sportsmen United for Sensible Mining: <http://www.sensiblemining.org/>
- TRCP's Mining Issues webpage: <http://www.trcp.org/issues/mining>
- Sulfide mining issues/resources: <http://www.friends-bwca.org/issues/sulfide-mining/>
- “Sulfide mining not environmentally sound.” *International Falls Journal*: 2/8/12.
http://www.ifallsdailyjournal.com/view/full_story/17439232/article-Sulfide-mining-not-environmentally-sound
- “Sulfide mining job claims don't add up.” *Minnesota Daily*: 11/23/11.
<http://www.mndaily.com/2011/11/23/sulfide-mining-job-claims-don%E2%80%99t-add>
- “On mining precious metals: Jobs not worth 2,000 years of pollution.” *Duluth News Tribune*: 10/29/11.
<http://www.duluthnewstribune.com/event/article/id/213272/group/homepage/>
- “Sulfide mine cleanup costs must be borne by companies.” *Duluth News Tribune*: 6/30/10.
<http://www.duluthnewstribune.com/event/article/id/172607/group/Opinion/>
- Star Tribune* story about the proposed nonferrous metallic mineral Financial Assurance Bill (3/20/12): <http://www.startribune.com/opinion/commentaries/143568746.html>

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-Links to five short videos about the impacts of sulfide mining, which include input from MN BHA's Sup. Nat. Forest Habitat Watchman Bob (and Pat) Tammen:

<http://www.startribune.com/local/yourvoices/140734493.html>

-Another link to the sulfide mining videos above:

<http://www.friends-bwca.org/2012/01/watch-short-videos-about-sulfide-mining-and-sign-a-petition-to-be-delivered-by-dogsled/>

-Information about the PolyMet Mine:

<http://www.nwf.org/Wildlife/Policy/Mining-Loopholes/PolyMet-Mine-MN.aspx>

-2010 Toxics Release Inventory (TRI) Program National Analysis:

<http://www.epa.gov/tri/tridata/tri10/nationalanalysis/index.htm>

-Sulfide Mining and the Great Lakes: <http://www.nwf.org/Wildlife/What-We-Do/Waters/Great-Lakes/Sulfide-Mining.aspx>

-Metallic Sulfide Mining: Impacts on Wildlife:

http://www.nwf.net/~media/PDFs/Regional/Great-Lakes/sulfidemining_wildlife_factsheet.ashx

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